

## **Department of Energy**

Bonneville Power Administration P.O. Box 491 Vancouver, Washington 98666-0491

TRANSMISSION SERVICES

February 18, 2009

In reply refer to: TS-Ditt-2

To parties interested in BPA Large Generator Interconnection Agreements:

BPA strongly supports development of Northwest wind power resources and is working intensively to facilitate that development. For the last several months, BPA has been working closely with regional stakeholders to adopt reliability protocols for wind and other variable generators. These protocols will allow us to continue to integrate large amounts of wind power in our balancing authority area while maintaining electric system reliability.

We have now completed the first stage of this process. We are confident that the approach we have been developing will assure that BPA can meet its obligations. We have resumed processing Large Generator Interconnection Agreements and will continue to work with our customers over the next several months to finalize them. We would like to thank everyone who has participated in this collaborative effort.

We set out our approach in a document entitled "Connecting Variable Generating Resources to the Federal Columbia River Transmission System (FCRTS)." This document proposed the adoption of refined reliability protocols to be memorialized in a new Dispatch Standing Order (DSO) and Large Generator Interconnection Agreement (LGIA). We issued the first draft of the document on December 8, 2008. We held a public meeting on December 10, 2008, to discuss the document and invited comments on our proposals. We then revised the document, incorporating many of the comments we received at the public meeting. That document was posted on December 29, 2008.

This was followed up by another public meeting on January 9, 2009, during which BPA agreed to receive further, written comments. We received written comments from 10 parties. We posted the comments and our responses on January 22, 2009, and held another public meeting on January 23, 2009 to discuss the responses. We then posted a revised document on January 29, 2009, and we asked for comments on only the revised Attachment C (Interconnection Details) to the LGIA by February 4.

We received comments from three parties. Based on the comments we received, we substantially revised Attachment C to the document, which included the language we were proposing for the LGIA. We expect to be able to respond positively to most of the comments received. Our full comment response will be posted at BPA's <u>wind Web site</u> and distributed through a Tech Forum notice.

Therefore, the initial phase of this process has concluded. BPA has resumed processing Large Generation Interconnection Agreements. BPA will be scheduling a customer Joint Operating Committee (JOC) meeting within the next six weeks to discuss the steps forward including completion of the related DSO, and will schedule additional JOC meetings as warranted per the terms of the LGIA.

We want to thank everyone who has worked with us to this point to allow us to move forward with developing appropriate reliability protocols. Thank you for your active and constructive participation.

BPA now has a higher proportion of wind resources in its balancing authority area than any other transmission provider in the United States, and we expect the wind generation capacity in our balancing authority to double within the next few years. With your continued support and participation, we will continue to cost-effectively integrate wind and other clean renewable resources for the benefit of the Pacific Northwest.

Sincerely,

Cathy Ehli

Vice President, Transmission Marketing and Sales